Australia, Canada, the European Communities, New Zealand, Switzerland and the United States, in separate requests have sought formal consultations with India under Article XXII of GATT 1994 and WTO understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) alleging that contin-ued maintenance of quantitative restrictions on imports for balance of payments purposes by India when there have been improvements in India's balance of payments is inconsistent with India's obligations under the WTO. India has accepted the requests for consultations.

[Translation]

Setting up of Industries by India in Nepal

1725. SHRI SOHANVEER SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether some issues were discussed between the Government of Nepal and the Government of India during the visit of Indian Prime Minister to Nepal recently;

(b) if so, the details thereof;

(c) whether the Government of Nepal have made any offer for Indian entrepreneurs to invest and set up industries in Nepal; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) and (b) During the visit of Indian Prime Minister of Nepal from June 5-7, 1997 the Prime Ministers of India and Nepal held discussions on a number of subjects overing bilateral issues and other matters of mutual interest which included the 1950 Treaty, Border regulation and security, cooperation in Water Resources Project, trade, Transit, investments and civil aviation.

(c) and (d) During Commerce Secretary level discussions in Juiy, 1996, Government of Nepal requested for removal of restrictions on Indian Investment in Nepal in Indian currency. Accordingly, the Government of India has established a "Special Nepal Window" to facilitate approvals for Indian investments in Nepal. The general limit of US $ 4 million for "fast track clearance", by Reserve Bank of India for investments abroad in freely convertible currency, has been raised to Rs. 25 crores for Indian investments in Nepal in Indian currency, which has been appreciated by the Government of Nepal and recognized as an important step for contributing towards expansion of industrial production base in Nepal.

National Income

1726. SHRI RAJENDRA AGNIHOTRI : Will the Minister of FINANCE be pleased to state :

(a) the percentage of contribution of agriculture sector in the National Income during 1995-96 and 1996-97; and

(b) the percentage of loan provided to the agriculture sector out of the National Income during the above period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE : (SHRI SATPAL MAHARAJ) : (a) As per the revised estimates of Gross Domestic Products 1996-97 released by Central Statistical Organisation the shares of "agriculture and allied activities" in GDP at factor cost (at 1980-81 prices) were 26.9 per cent and 26.6 per cent respectively in 1995-96 and 1996-97.

(b) The total institutional loans (of cooperatives, commercial banks, and regional rural banks) disbursed for agriculture and allied activities were Rs. 22,032 crores (8.3 per cent) and Rs. 28,653 crores (9.8 per cent) respectively during 1995-96 and 1996-97.

Names of Sick Industries

1727. DR. RAMVILAS VEDANTI : Will the Minister of FINANCE be pleased to state :

(a) the names of such sick industries in which a huge loan amount of the nationalised banks is outstanding State-wise; and

(b) the measurers being taken by the Govern-ment to enable the banks to recover the said loan amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) As per information provided by the Reserve Bank of India (RBI), the number of non-small scale industries (SSI) sick units (enjoying an aggregate bank credit of Rs. 10 crores and above as on 31.3.1996) and Bank credit outstanding against these units State-wise is given in the Statement attached. However, in accordance with the practices and usages customary amongst banks and in conformity with provisions of statutes governing public sector banks, information relating to individual constituents cannot be divulged.

(b) RBI has reported that under existing guidelines, banks provide need based working capital to sick industrial units. Detailed guidelines have also been issued by RBI regarding formulation/implemen-tation of rehabilitation packages in respect of sick/weak industrial units found potentially viable for their revival. Rehabilitation package, inter alia, provides for funding of existing dues of banks and financial institutions with extended period of repayment thereof in a phased manner, interest concessions, grant of fresh term loan as also fresh working capital facilities. The Board for Industrial and Financial Reconstruction (BIFR) set up under the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) takes necessary action in respect of non-SSI sick units for determi-nation of preventive ameliorative, remedial and other measures and for enforcement of such measures under the provisions of SICA. The banks have also been advised by RBI to implement the rehabilitation-packages approved by BIFR in relation to sick industrial units. The performance of the banks in the matter or rehabilitation of sick units is monitored by RBI.